

**BOARD OF PATENT APPEALS AND INTERFERENCES
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Applicants : Gilbert et al.
Application No. : 09/982,709 Confirmation No. : 8648
Filed : October 18, 2001
For : SYSTEMS AND METHODS FOR QUOTING A TWO-
SIDED MARKET
Group Art Unit : 3621
Examiner : Calvin L. Hewitt II

Mail Stop Appeal Brief-Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

APPEAL BRIEF UNDER 37 C.F.R. § 41.37

Sir:

This is an appeal from the decision of Examiner Calvin L. Hewitt II, Group Art Unit 3621, in the final Office Action of May 14, 2007, rejecting claims **1-2, 3-5, 10-14, 17-18, 23, 25, 30-31, 33-34, 39-43, 46-47, 52, 54, and 106-117¹** in the present application. A Notice of Appeal was filed on August 13, 2007.

Applicants herewith request a three-month extension of time, which extends the time to file this paper to Monday January 14, 2008.

The Commissioner is hereby authorized to charge the Appeal Brief filing fee of \$510.00 and the three-month extension of time fee of \$1,050.00, as well as any additional fees which may be required, or credit any overpayment, to Deposit Account No. 50-3938.

¹ In the May 14, 2007 Office Action, the Examiner continues to reject claim 1-5, 10-18, 23-25, 30-34, 39-47, 52-54, and 106-107 even though claims 3,15-16, 24, 32, 44-45, and 53 were cancelled in a preceding response.

I. REAL PARTY IN INTEREST

The real party in interest of the present application is ESPEED Inc., the assignee of record, a corporation organized and existing under the laws of the State of Delaware, U.S.A., and having a place of business at 110 East 59th Street, New York, NY 10022.

II. RELATED APPEALS AND INTERFERENCES

There are no known related appeals or interferences.

III. STATUS OF CLAIMS

The following claims are pending and stand rejected in the present application:

- Independent claims **1, 14, 30, and 43.**
- Dependent claims **2, 4-5, 10-13, 17-18, 23, 25, 31, 33-34, 39-42, 46-47, 52, 54, and 106-117.**

The following claims are being appealed:

- Independent claims **1, 14, 30, and 43.**
- Dependent claims **2, 4-5, 10-13, 17-18, 23, 25, 31, 33-34, 39-42, 46-47, 52, 54, and 106-117.**

The following claims have been cancelled:

- Dependent claims **3, 6-9, 15-16, 19-22, 24, 32, 35-38, 44-45, 48-51, 53, 53, and 55-105.**

IV. STATUS OF AMENDMENTS

No amendments have been filed after the Final Office Action of May 21, 2007.

V. SUMMARY OF CLAIMED SUBJECT MATTER

The presently claimed invention(s) generally relate to computer implemented methods that allow users to quote a two-sided market quickly and efficiently.

Specifically:

Independent claim **1** is directed to a method that comprises the steps of receiving a bid command from a trader to buy an item (page 3, lines 1-6) and generating automatically at least a price and/or a size for an offer to sell the item based on a price and/or a size for a bid to buy the item and a pre-set spread amount (page 6, lines 1-9; page 8, lines 3-11; page 16, line 26-page 27, lines 2). At some time thereafter, the bid and the offer generated therefrom is received, e.g., for possible execution (page 6, lines 1-9).

Independent claim **14** is directed to a method that comprises the steps of displaying current bid and offer data in a first interface screen (page 3, lines 1-6; Fig. 1, ref. 100), receiving a bid command from a trader to buy an item via the first interface screen with a selection of a piece of the bid and offer data displayed (page 3, lines 1-6; Fig. 1, refs 102-108), and generating automatically a price and /or a size for an offer to sell the item based on a price and/or a size for a bid to buy the item and a pre-set spread amount (page 6, lines 1-9; page 8, lines 3-11; page 16, line 26-page 27, lines 2). At some time thereafter, a second interface screen is presented that comprises at least one field for specifying at least one term for the bid to buy the item and at least one field for specifying at least one term of the offer to sell the item (page 15, lines 29-30; page 16, lines 17-23; Fig. 3 refs. 326, 324, 329, 331). The at least one field for specifying at least one term of the bid to buy the item is, in this instance, is displayed populated with the selected piece of the bid and offer data and the at least one field for specifying at least one term of the offer to sell the item is populated with the price and/or the size generated for the offer automatically (page 19, line 30-page 20, line 24).

Independent claims **30** is directed to a method that comprises the steps of receiving an offer command from a trader to sell an item (page 3, lines 1-6) and generating automatically at least one of a price and a size for a bid to buy the item based on at least one of a price and a size for an offer to sell the item and a pre-set spread amount (page 6, lines 1-9; page 8, lines 3-11; page 16, line 26-page 27, lines 2). At some time thereafter, the offer and the bid generated therefrom is received, e.g., for possible execution (page 6, lines 1-9).

Independent claims **43** is directed to a method that comprises the steps of displaying current bid and offer data in a first interface screen (page 3, lines 1-6; Fig. 1, ref. 100), receiving an offer command from a trader to sell an item via the first interface screen with a selection of a piece of the bid and offer data displayed (page 3, lines 1-6; Fig. 1, refs 102-108), and generating automatically at least one of a price and a size for a bid to buy the item based on at least one of a price and a size for an offer to sell the item and a pre-set spread amount (page 6, lines 1-9; page 8, lines 3-11; page 16, line 26-page 27, lines 2). At some time thereafter, a second interface screen is presented that comprises at least one field for specifying at least one term for the bid to buy the item populated with the selected piece of the bid and offer data and at least one field for specifying at least one term of the bid to buy the item populated with the at least one of a price and a size generated for the bid automatically (page 15, lines 29-30; page 16, lines 17-23; Fig. 3 refs. 326, 324, 329, 331; page 19, line 30-page 20, line 24).

VI. GROUND OF REJECTION TO BE REVIEWED ON APPEAL

The grounds for rejection to be reviewed on appeal are whether:

- Claims **1, 4, 109**, and **115** are indefinite under 35 U.S.C. § 112 for failing to particularly point out and distinctly claim the subject matter which applicants regards as the invention.
- Claims **1-2, 3-5, 10-14, 17-18, 23, 25, 30-31, 33-34, 39-43, 46-47, 52, 54**, and **106-117** are unpatentable under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,809,403 (hereinafter “Broka”) in view of U.S.

VII. ARGUMENT

Rejection under 35 U.S.C. § 112

Claims **1-2, 3-5, 10-13, 30-31, 33-34, 39-42, 46** and **106-117**² were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. See May 21, 2007 Office Action, pages 4-5.

Claims 1 and 30

With regard to independent claims **1** and **30**, the Examiner asserts that it is not clear which bid is received, i.e., the bid command or the bid to generate the offer. The Examiner is mistaken. Claims 1 and 30 clearly recite “receiving a bid command” and “receiving the bid”. Bid and offer commands are generally indications that the submitting party is therewith initiating a two-sided market trading command. (See specification page 3, lines 1-6; claim 2). In certain instances, receipt of the bid or offer command may be used as a trigger to display an interface screen for users to specify the details of a two-sided market order, e.g., both a bid to buy and an offer to sell in the same market. (See specification page 3, lines 1-6; claim 11). The bids and offers, in contrast, are actual orders that are submitted for execution. One skilled in the art understands from the language of the claims and from the specification that both a bid command and a bid are received.

Claims **2, 3-5, 10-13, 31, 33-34, and 39-49** have been rejected based on their dependency on either claim **1** or **30**. The Examiner is mistaken for the same reasons noted above with regard to claims **1** and **30**.

Claims 4, 17, 33, and 46³

With regard to claim **4**, the Examiner asserts that the claim is indefinite as a result of the recitation of the term “when” therein. The Examiner rejects claims **17, 33, and 46** for the

² In the May 14, 2007 Office Action, the Examiner continues to reject claim 1-13, 30-42, and 106-107 even though claims 3, 24, 32, and 44-45 were cancelled in a preceding response. (See May 14, 2007 Office Action, page 4.)

³ The Examiner appears to erroneously reject claim 47 instead of claim 46. (See *id.*)

same reason. Claims **4, 17, 33, and 46**, in their present form, do not recite the term “when”. The Examiner is mistaken. This term has been removed from these claims in an amendment preceding the May 14, 2007 Office Action.

Claims **106-110** and **112-116** have been rejected based on their dependency on either claim **4** or **33**. The Examiner is mistaken for the same reasons noted above with regard to claims **4, 17, 33, and 46**.

Claims 109 and 115

The Examiner rejects claims 109 and 115 alleging the term “better” renders the claim indefinite because there is no standard for ascertaining the requisite degree. The Examiner is mistaken. Claim 109 recites “populating the at least one field for specifying at least one term for the bid to buy the item with a price a predetermined amount better than the selected bid price”. One skilled in the art understands that a bidder that desires to “better” an existing bid price wants beat the existing bid price. Therefore, better in this context implies higher. In the context of 115, better implies a lower price as one skilled in the art understands that a seller that wants to better an existing offer price wants to beat the existing offer price. This notion is supported by the specification at page 13, lines 5-11.

Rejection under 35 U.S.C. § 103(a)

All appealed claims were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,809,403 (hereinafter “Broka”) in view of U.S. Patent No. 5,375,055 (hereinafter “Tougher”). See May 21, 2007 Office Action, pages 5-9.

1. Legal Standard – Prima Facie Showing.

If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992). The initial burden of presenting a *prima facie* case of obviousness is upon the examiner. In re Oetiker, 977 F.2d at 1445. If the examiner fails to establish a *prima facie* case of obviousness, the rejection is improper and will be overturned. In

re Rijckaert, 9 F.3d 1531, 1532 (Fed. Cir. 1993); Novamedix Distrib. Ltd. v. Dickinson, 175 F. Supp. 2d 8, 9 (D.D.C. 2001).

2. Legal Standard – Obviousness.

To reject claims under 35 U.S.C. § 103, an examiner must show an unrebutted *prima facie* case of obviousness. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. In re Royka, 490 F.2d 981 (CCPA 1974).

In addition, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference. The Examiner must support with substantial evidence of record a factual finding of a suggestion or motivation to modify a reference. Novamedix Distrib., 175 F. Supp. 2d at 9; In re Zurko, 258 F.3d 1379, 1383-1386 (Fed. Cir. 2001); In re Lee, 277 F.3d 1338, 1342 (Fed. Cir. 2002). In particular, a conclusory or common sense statement as to the factual question of motivation must be supported by evidence of record and without such evidence, lacks substantial evidence support and is thereby insufficient to establish a *prima facie* case of obviousness. In re Lee, 277 F.3d at 1343-1345 (“[C]onclusory statements ... do not adequately address the issue of motivation to combine. ... [The] factual question of motivation is material to patentability, and [can] not be resolved on subjective belief and unknown authority.”); In re Zurko, 258 F.3d at 1385 (“This assessment of basic knowledge and common sense was not based on any evidence in the record and, therefore, lacks substantial evidence support.”).

3. First Group: Claims 1, 14, 30, and 43 - No Prima Facie Showing of Obviousness.

a. Broka and Tougher do not disclose all of the limitations of claims 1, 14, 30, and 43.

Independent claims 1 and 14 recite the following feature:

generating automatically at least one of a price and a size for an offer to sell the item based on at least one of a price and a size for a bid to buy the item and a pre-set spread amount.

Independent claims 30 and 43 similarly recite

generating automatically at least one of a price and a size for a bid to buy the item based on at least one of a price and a size for an offer to sell the item and a pre-set spread amount.

That is, the system implementing these methods generate at least one of the terms of a counter-side order based on at least one of the terms of an offer and *a pre-set spread amount*. The cited references do not teach generating terms with “*a pre-set spread amount*.” The Examiner has not addressed this limitation at all. Rather, the Examiner appears to have taken the position that this is either merely data that is stored in memory that is not functionally related to the computer or is mere recitation of an intended use of a claimed invention and thus is not entitled to any weight.⁴ See May 21, Office Action, page 3. The Examiner is clearly mistaken. The “pre-set spread amount” is used to generate other terms of an order and is therefore not merely stored in the memory and is not merely an intended use.

Because the Examiner has failed to show that all the limitations of independent claims **1, 14, 30, and 43** are taught or suggested by Broka and Tougher, the Examiner has failed to establish a *prima facie* case of obviousness with respect to these claims, and the claims that depend there from. The rejection of these claims is thereby improper.

4. Second Group: Claims 14 and 43 - No Prima Facie Showing of Obviousness.

SEPARATE ARGUMENT OF PATENTABILITY

a. Broka and Tougher do not disclose all of the limitations of claims 14 and 43.

Independent claim 14 further recites the following feature:

⁴ Throughout prosecution, the Examiner has rejected the pending claims of 1-54 without any specificity. The Examiner further recycled the same rejections for these claims from previous office actions without addressing any of the interim amendments thereby ignoring essentially all of the added limitations. This was brought to the Examiners attention and the Examiner responded in the May 21, 2007 Office Action with what appears to be a refusal to give the added limitations any weight.

*displaying current bid and offer data in a first interface screen;
receiving a bid command from a trader to buy an item via the first interface
screen with a selection of a piece of the bid and offer data displayed; ... and
presenting a second interface screen comprising at least one field for specifying
at least one term for the bid to buy the item populated with the selected piece of the bid and offer
data and at least one field for specifying at least one term of the offer to sell the item populated
with the at least one of a price and a size generated for the offer automatically.*

That is, the bid command is received with, i.e., in response to, a user selecting a piece of the bid and offer data displayed in the first interface screen. Moreover, a second interface screen is presented with a bid field populated, i.e., already containing, the selected piece of the bid and offer data and the offer field populated with the term for the offer generated based on the bid terms and the pre-set spread amount. The Examiner has not addressed these limitations either. Rather, the Examiner has taken the position that this is either merely data that is stored in memory that is not functionally related to the computer or is mere recitation of an intended use of a claimed invention and thus is not entitled to any weight. See May 21, Office Action, page 3. The Examiner is clearly mistaken. Receiving a bid command as a result or otherwise with the user selecting at least one item of bid or offer data displayed in the first interface screen is an affirmative act, which is not merely storing data or an intended use. Similarly, displaying an interface screen with specific elements with specific data from other screens and with generated data is also an affirmative act.

Independent claim 43 recites similar limitations as that of claim 14.

Because the Examiner has failed to show that all the limitations of independent claims **14** and **43** are taught or suggested by Broka and Tougher, the Examiner has failed to establish a *prima facie* case of obviousness with respect to these claims, and the claims that depend there from. The rejection of these claims is thereby improper.

IX. CONCLUSION

In view of the foregoing, Appellants submit that independent claims **1, 14, 30, and 43** are in proper condition for allowance, and the Board is respectfully requested to overturn the Examiner's rejection of these claims.

Respectfully submitted,

/Antonio Papageorgiou/

January 14, 2008

Date

Antonio Papageorgiou

Reg. No. 53,431

Attorney for Appellants

X. CLAIMS APPENDIX

1. (Previously presented) A method comprising:
receiving a bid command from a trader to buy an item;
generating automatically at least one of a price and a size for an offer to sell the item based on at least one of a price and a size for a bid to buy the item and a pre-set spread amount;
receiving the bid to buy the item; and
receiving an offer to sell the item based on the generated at least one of a price and a size for the offer.
2. (Previously presented) The method of claim 1, further comprising:
displaying current bid and offer data associated with the item, wherein receiving the bid command comprises receiving a selection of a piece of the bid and offer data displayed.
3. (Cancelled)
4. (Previously presented) The method of claim 2, wherein the current bid and offer data comprises a bid price for the item, wherein receiving a selection of a price of the bid and offer data comprises receiving a selection of the bid price for the item.
5. (Previously Presented) The method of claim 2, wherein the current bid and offer data is displayed in a screen display selected from the group consisting of a market cell, a spread sheet, a data window, an entry window, and a web page.
- 6-9. (Cancelled)
10. (Previously presented) The method of claim 1, wherein the bid to buy the item specifies a price and wherein the price for the offer is generated automatically based at least on the price specified with the bid.

11. (Previously presented) The method of claim 1, further comprising automatically displaying an interface screen in response to receiving of the bid command, the interface screen comprising at least one field for specifying a term of the offer to sell the item, the at least one field populated with the at least one of a price and a size generated for the offer automatically.

12. (Previously presented) The method of claim 1, further comprising automatically repositioning a pointing device pointer to be positioned over a button in an interface screen corresponding to the bid command.

13. (Previously presented) The method of claim 12, wherein the pointing device pointer is repositioned over a bid button in the interface screen.

14. (Previously presented) A method comprising:
displaying current bid and offer data in a first interface screen;
receiving a bid command from a trader to buy an item via the first interface screen with a selection of a piece of the bid and offer data displayed;
generating automatically at least one of a price and a size for an offer to sell the item based on at least one of a price and a size for a bid to buy the item and a pre-set spread amount; and
presenting a second interface screen comprising at least one field for specifying at least one term for the bid to buy the item populated with the selected piece of the bid and offer data and at least one field for specifying at least one term of the offer to sell the item populated with the at least one of a price and a size generated for the offer automatically.

15-16. (Cancelled)

17. (Previously presented) The method of claim 14, wherein the current bid and offer data comprises a bid price for the item, wherein receiving a selection of a price of the bid and offer data comprises receiving a selection of the bid price for the item.

18. (Previously presented) The method of claim 14, wherein the first trading command entry interface is a screen display selected from the group consisting of a market cell, a spread sheet, a data window, an entry window, and a web page.

19-22. (Cancelled)

23. (Previously presented) The method of claim 14, wherein the bid to buy the item specifies a price and wherein the price for the offer is generated automatically based at least on the price specified with the bid.

24. (Cancelled)

25. (Previously presented) The method of claim 14, comprising populating the at least one field for specifying at least one term for the bid to buy the item with a selected bid price.

26-29. (Cancelled)

30. (Previously presented) A method comprising:
receiving an offer command from a trader to sell an item;
generating automatically at least one of a price and a size for a bid to buy the item based on at least one of a price and a size for an offer to sell the item and a pre-set spread amount;
receiving the offer to sell the item; and
receiving a bid to buy the item based on the generated at least one of a price and a size for the bid.

31. (Previously presented) The method of claim 30, further comprising:
displaying current bid and offer data associated with the item, wherein receiving the offer command comprises receiving a selection of a piece of the bid and offer data displayed.

32. (Cancelled)

33. (Previously presented) The method of claim 31, wherein the current bid and offer data comprises an offer price for the item, wherein receiving a selection of a price of the bid and offer data comprises receiving a selection of the offer price for the item.

34. (Previously presented) The method of claim 31, wherein the current bid and offer data is displayed in a screen display selected from the group consisting of a market cell, a spread sheet, a data window, an entry window, and a web page.

35-38. (Cancelled)

39. (Previously presented) The method of claim 30, wherein the offer to sell the item specifies a price and wherein the price for the bid is generated automatically based at least on the price specified with the offer.

40. (Previously presented) The method of claim 30, further comprising automatically displaying an interface screen in response to receiving of the offer command, the interface screen comprising at least one field for specifying a term of the bid to buy the item, the at least one field populated with the at least one of a price and a size generated for the bid automatically.

41. (Previously presented) The method of claim 30, further comprising automatically repositioning a pointing device pointer to be positioned over a button in an interface screen corresponding to the offer command.

42. (Previously presented) The method of claim 41, wherein the pointing device pointer is repositioned over an offer button in the interface screen.

43. (Previously presented) A method comprising:

displaying current bid and offer data in a first interface screen;
receiving an offer command from a trader to sell an item via the first interface screen with a selection of a piece of the bid and offer data displayed;
generating automatically at least one of a price and a size for a bid to buy the item based on at least one of a price and a size for an offer to sell the item and a pre-set spread amount; and
presenting a second interface screen comprising at least one field for specifying at least one term for the bid to buy the item populated with the selected piece of the bid and offer data and at least one field for specifying at least one term of the bid to buy the item populated with the at least one of a price and a size generated for the bid automatically.

44-45. (Cancelled)

46. (Previously presented) The method of claim 43, wherein the current bid and offer data comprises an offer price for the item, wherein receiving a selection of a price of the bid and offer data comprises receiving a selection of the offer price for the item.

47. (Previously presented) The method of claim 43, wherein the first trading command entry interface is a screen display selected from the group consisting of a market cell, a spread sheet, a data window, an entry window, and a web page.

48-51. (Cancelled)

52. (Previously presented) The method of claim 43, wherein the offer to sell the item specifies a price and wherein the price for the bid is generated automatically based at least on the price specified with the offer.

53. (Cancelled)

54. (Previously presented) The method of claim 43, comprising populating the at least one field for specifying at least one term for the offer to sell the item with the selected offer price.

55-105. (Cancelled)

106. (Previously presented) The method of claim 4, comprising displaying an interface screen comprising at least one field for specifying at least one term for the bid to buy the item and at least one field for specifying at least one term for the offer to sell the item.

107. (Previously presented) The method of claim 106, comprising populating the at least one field for specifying at least one term for the bid to buy the item with the selected bid price.

108. (Previously presented) The method of claim 106, comprising populating the at least one field for specifying the at least one term for the offer to sell the item with the at least one of a price and a size of the item generated for the offer automatically.

109. (Previously presented) The method of claim 106, comprising populating the at least one field for specifying at least one term for the bid to buy the item with a price a predetermined amount better than the selected bid price.

110. (Previously presented) The method of claim 106, the interface screen comprising at least one price up button and at least one price down button for adjusting terms of at least one of the bid and the offer.

111. (Previously presented) The method of claim 1, the bid to buy the item and the offer to sell the item submitted simultaneously.

112. (Previously presented) The method of claim 33, comprising displaying an interface screen comprising at least one field for specifying at least one term for the bid to buy the item and at least one field for specifying at least one term for the offer to sell the item.

113. (Previously presented) The method of claim 112, comprising populating the at least one field for specifying at least one term for the offer to sell the item with the selected offer price.

114. (Previously presented) The method of claim 112, comprising populating the at least one field for specifying the at least one term for the bid to buy the item with the at least one of a price and a size of the item generated for the bid automatically.

115. (Previously presented) The method of claim 112, comprising populating the at least one field for specifying at least one term for the offer to sell the item with a price a predetermined amount better than the selected offer price.

116. (Previously presented) The method of claim 112, the interface screen comprising at least one price up button and at least one price down button for adjusting terms of at least one of the bid and the offer.

117. (Previously presented) The method of claim 30, the bid to buy the item and the offer to sell the item submitted simultaneously.

XI. EVIDENCE APPENDIX

None

XII. RELATED PROCEEDINGS APPENDIX

None